

This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 02 KATHMANDU 002237

SIPDIS

STATE FOR OES, OES/PCI STEWART, OES/ETC CONDO and STAS
STATE ALSO FOR SA A/S ROCCA, DAS CAMP, SA/INS AND SA/RA
STATE PASS TO AID - ANE/WILSON
EPA FOR OIA - T MACDONALD
DOI FOR FISH AND WILDLIFE SERVICE
DOJ FOR JOHN WEBB
LONDON FOR POL - RIEDEL
BANGKOK FOR REO OSIUS
TASHKENT FOR REO WATTS

E.O. 12598: N/A

TAGS: [SENV](#) [PGOV](#) [ECON](#) [EAGR](#) [PTER](#) [EAID](#) [TBIO](#) [XD](#) [NP](#)

SUBJECT: MAOIST IMPACT: NEPAL'S FORESTS UNDER SIEGE

REF: KATHMANDU 2152 (AND PREVIOUS)

1. SUMMARY: The impact of the Maoist insurgency has not been limited to Nepal's national parks and conservation areas (septel). The assault on the country's wildlife has been accompanied by a plundering of forest and other plant resources. Biodiversity resources of global significance are threatened. Nepal's community forestry programs, a model for the rest of South Asia, are reeling from the climate of insecurity. The conflict is contributing to migration away from food-insecure areas and hollowing out the rural economy. End summary.

ILLEGAL LOGGING AND PLUNDER OF FOREST RESOURCES

2. The Department of Forests recently reported that insurgents have destroyed 40 out of 92 area forest offices in the country. Similarly, 190 out of the 696 range posts have been destroyed. This accelerating trend threatens to raise the rate of deforestation in Nepal beyond current estimates of 1.7 percent per year. Large-scale damage to this resource base could have serious repercussions on Nepal's fragile watersheds as well.

3. Reports indicate that illegal logging and other criminal activities have increased as local people are forced to find ways to make ends meet. Visitors and journalists who have dared to travel to such northern outposts of Nepal as Humla and Gorkha report that as a result of both the growing security vacuum and falling numbers of tourists, locals are resorting to illegal timber harvesting, smuggling lumber across the border to Tibet. Since coniferous trees in these high altitude areas grow slowly, the loss will be nearly irreparable.

4. Not only Nepal's megafauna, but also plants are at risk. Valuable species (some rare), such as medicinal herbs, are being overharvested for quick profit, either by villagers or the Maoists. If unchecked, this could bring extinction to certain species of global biodiversity significance. Further, in Chitwan and other parks, ecosystems are at risk because the security vacuum allows people illegally to bring livestock in to graze.

COMMUNITY FORESTRY TAKES A HIT

5. Community forestry has been another victim of the insurgency. Nepal has more than 11,500 forest user groups in nearly all of its 75 districts, with participation by about 1.2 million households, and has been lauded internationally for its exemplary success in reclaiming denuded hillsides through community forestry efforts. Years of painstaking effort by local communities in partnership with the Nepalese government and donors such as USAID, DANIDA, and DFID have resulted almost 9,000 square kilometers of forests being turned over to community management -- about 50 percent larger than the total forest cover of national parks and protected forests.

6. But now many of these community forests are going unmanaged and are practically abandoned. Villagers, caught in the crossfire between Maoist insurgents and army patrols, are staying out of their own forests, unable to either harvest the forest products required for their daily subsistence or protect their resources and conduct remedial forestry activities.

7. The diversion of government revenues from the

forestry and other sectors into the fight against terrorism has caused serious hardship to forest officials and rural people alike. The department budget has been cut significantly this year. In addition, donor-funded projects have either been terminated or limited to more secure areas, such as district headquarters. Many local community forest groups are denied services for saplings, seedlings, technical expertise and other needed inputs.

18. The insurgency is indirectly responsible for other pressures on community forests. An increasingly cash-strapped government is starting to look particularly at the valuable hardwoods in the Terai as a potential source of income. Some officials question whether community forestry is actually the right approach, calling instead for joint management of forests between the user groups and the government. The incentive: the royalties that could be tapped by exporting lumber to nearby India. (Note: this would be similar to the strategy used by India, which has been considerably less successful than Nepal in protecting forest resources).

19. COMMENT: The vast majority of Nepal's people still lives in rural areas and relies on agriculture for livelihoods. People depend tremendously on forest resources for energy and other daily needs such as animal fodder, medicinal plants, and building materials. The degradation of their forests threatens to break the back of the rural economy and will lead to greater food insecurity. This can only result in increased migration. The emptying-out of Nepal's rural areas, especially of younger, economically active people, is accelerating, with famine becoming an ever more likely prospect for Nepal's more remote areas, such as the far west. Septel will address food security issues in more detail.

MALINOWSKI